

**STATE OF CALIFORNIA
DEPARTMENT OF FINANCIAL INSTITUTIONS**

In the Matter of)	
)	
ALL LICENSEES UNDER THE)	ORDER DECLARING ACH,
MONEY TRANSMISSION ACT)	CREDIT AND DEBIT CARD
)	RECEIVABLES AS
)	ELIGIBLE SECURITIES
)	
_____)	

DEFINITIONS

1. “Money transmission” has the meaning defined in Financial Code (FC) § 2003(o).
2. “Automated Clearing House (ACH) Receivables” are amounts debited from a customer’s depository account or ACH credits initiated by the customer through the ACH, which are used to fund, purchase or pay for money transmission products and services.
3. “Debit Card Receivables” and “Credit Card Receivables” are amounts due from issuers of debit cards and credit cards, respectively, which are used to fund, purchase or pay for money transmission products and services.

FINDINGS

1. The Commissioner of Financial Institutions (Commissioner) finds that a) ACH Receivables due from U.S. national or state-chartered depository institutions and b) Debit Card Receivables and Credit Card Receivables due from debit and credit cards issued by U.S. national or state-chartered depository institutions are of sufficient liquidity and quality to be eligible securities pursuant to FC § 2086.
2. Pursuant to FC § 2083(b)(2), the Commissioner finds that ACH Receivables, Debit Card Receivables, and Credit Card Receivables, subject to the conditions set forth in the Order below, are of such quality that exclusion of the value of such eligible securities is not necessary.

ORDER

Pursuant to FC §§ 2086 and 2083(b)(2), the Commissioner orders as follows:

The Commissioner declares that ACH Receivables, Debit Card Receivables, and Credit Card Receivables (collectively referred to as “Receivables”) are eligible securities subject to the following conditions:

1. The aggregate value of the Receivables that qualify as eligible securities pursuant to this Order Declaring Eligible Securities (Order) cannot exceed 20% of the aggregate value of all eligible securities owned by the money transmitter licensee (Licensee);
2. The value of Receivables that qualify as eligible securities pursuant to this Order that are due from any one person and the affiliates of that person cannot exceed 10% of the aggregate value of all eligible securities owned by the Licensee;
3. The value of Receivables that have been outstanding for more than 10 business days, are excluded from the aggregate value of eligible securities owned by the Licensee;
4. ACH Receivables must be due from U.S. national or state-chartered depository institutions;
5. Debit Card Receivables and Credit Card Receivables must be due from debit and credit cards issued by U.S. national or state-chartered depository institutions; and
6. Receivables may be reported by the Licensee as a) cash, cash items, or cash in transit or b) as ACH, Credit or Debit Card Receivables or due from banks on the Licensee’s balance sheet, subject to the Call Report Order and Instructions as amended from time to time.

This Order is effective immediately and shall remain in effect until revoked, amended, superseded, suspended, or supplemented by further order of the Commissioner.

Dated: May 28, 2013

/s/
TEVEIA R. BARNES
Commissioner of Financial Institutions